ModernGraham Valuation

Akamai Technologies,

Inc.



Company Name:

Company Ticker AKAM Date of Analysis

1/8/2017

Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

Defensive Investor; must pass 6 out of the following 7 tests.

· · · · · · · · · · · · · · · · · · ·	1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$12,136,335,647	Pass
	2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.21	Pass
	3. Earnings Stability	Positive EPS for 10 years prior		Pass
	4. Dividend Record	Dividend Payments for 10 years prior		Fail
	5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	160.09%	Pass
	6. Moderate PEmg Ratio	PEmg < 20	39.38	Fail
	7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.87	Fail
Enterprising Investor; n	nust pass 4 out of the following 5 tests, or be s		0.04	-
	1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	3.21	Pass
	2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.66	Pass
	3. Earnings Stability	Positive EPS for 5 years prior		Pass
	4. Dividend Record	Currently Pays Dividend		Fail
	5. Earnings Growth	EPSmg greater than 5 years ago		Pass
		Score		
Suitability	Defensive	Νο		
	Delensive	NU		

Yes

Stage 2: Determination of Intrinsic Value

Enterprising

-	EPSmg		\$1.77
	MG Growth Estimate		11.70%
	MG Value		\$56.54
	MG Value based on 3% Growth		\$25.69
	MG Value based on 0% Growth		\$15.06
	Market Implied Growth Rate		15.44%
MG Opinion			
	Current Price		\$69.79
	% of Intrinsic Value		123.43%
	Opinion	Overvalued	
	MG Grade	C-	

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$1.15
Graham Number	\$28.08
PEmg	39.38
Current Ratio	3.21
PB Ratio	3.87
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

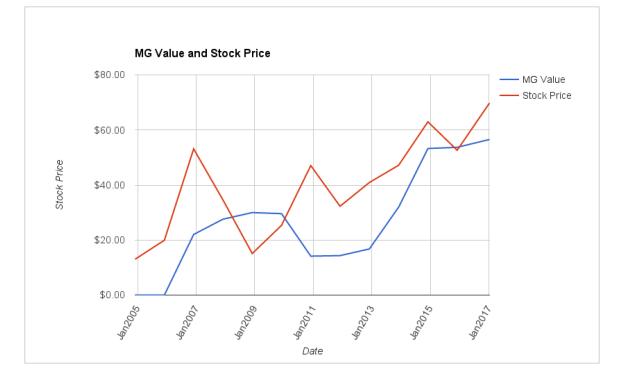
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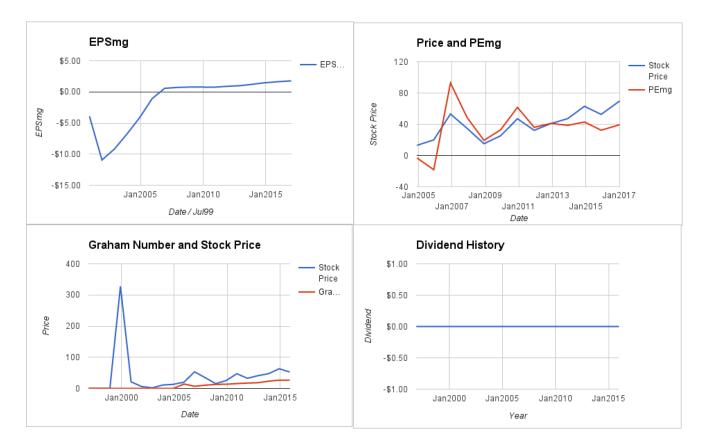
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EPS History		EPSmg History	
Next Fiscal Year			
Estimate		Next Fiscal Year Estimate	\$1.77
Dec2015	\$1.78	Dec2015	\$1.63
Dec2014	\$1.84	Dec2014	\$1.47
Dec2013	\$1.61	Dec2013	\$1.22
Dec2012	\$1.12	Dec2012	\$1.00
Dec2011	\$1.07	Dec2011	\$0.90
Dec2010	\$0.90	Dec2010	\$0.76
Dec2009	\$0.78	Dec2009	\$0.7
Dec2008	\$0.79	Dec2008	\$0.78
Dec2007	\$0.56	Dec2007	\$0.72
Dec2006	\$0.34	Dec2006	\$0.5
Dec2005	\$2.11	Dec2005	-\$1.0
Dec2004	\$0.25	Dec2004	-\$4.10
Dec2003	-\$0.25	Dec2003	-\$6.70
Dec2002	-\$1.81	Dec2002	-\$9.1
Dec2001	-\$23.59	Dec2001	-\$10.9
Dec2000	-\$10.07	Dec2000	-\$3.90
Dec1999	-\$1.98	Balance Sheet Information	9/1/2010
Dec1998	-\$0.05	Total Current Assets	\$1,386,964,000
Dec1997	\$0.00	Total Current Liabilities	\$431,536,000
Dec1996	\$0.00	Long-Term Debt	\$634,504,000
		Total Assets	\$4,353,635,000
		Intangible Assets	\$1,290,086,000
		Total Liabilities	\$1,184,704,00
		Shares Outstanding (Diluted Average)	175,617,000





Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor. The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

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